

Issue Brief – Technical Adjustments to Base

DEPARTMENT OF HEALTH

DOH-09-12

SUMMARY

This Issue Brief covers five changes in the Department of Health with \$0 net impact to the State and one reduction in Dedicated Credits Revenue for a revised estimate of premium collections within the Children's Health Insurance Program. The four items with no impact include: (1) a transfer from the Department of Workforce Services for employees retained by the Department of Health during the eligibility services consolidation, (2) reallocation of General Fund amongst Line Items in the Department to adjust for FY 2008 salary increases approved by the Legislature, (3) transfer of the Utah State Immunization Information System from the Center for Health Data to Community and Family Health Services, (4) moving IT desktop support FTE's in compliance with the new rate plan for the Department of Technology Services and federal cost principles, and (5) transfer within the Department of Health to pay for interpretation services.

OBJECTIVE

This Issue Brief provides an opportunity to review the technical changes proposed by the Department of Health.

DISCUSSION AND ANALYSIS

Dedicated Credits Reduction

The Children's Health Insurance Program (CHIP) charges premiums to its members for health insurance. The Department has updated its estimate for FY 2009 based on actual premium collections through November 2007. This changes the Dedicated Credit Revenue for CHIP from \$2,610,000 to \$1,765,800, a reduction of (\$844,200).

Five Changes With \$0 Net Impact to the State

- 1) The Department of Workforce Services is transferring \$107,000 General Fund (\$214,000 total funding) to cover the personnel services costs of 2 FTE's retained by the Department of Health during the recent eligibility services consolidation. This change is for FY 2008 and FY 2009.
- 2) The 2007 Legislature approved a 1.5% discretionary salary increase. The funding was placed by the Analyst in a proportionate manner across Line Items, based on total salaries. The Department has now decided where to give the 1.5% discretionary salary increases and needs to transfer \$72,000 General Fund to pay for those costs in the appropriate Line Item. This change is for FY 2008 and FY 2009.
- 3) The Department of Health wants to move the Utah State Immunization Information System from the Executive Director's Office Public Health Data to Community and Family Health. The change is proposed because the program is closely related to other child immunization programs in Community and Family Health. This represents a transfer of \$320,000 General Fund in FY 2009.
- 4) The new IT rate plan for the Department of Technology Services required the Department to make other changes in order to remain eligible for federal funds. To comply with federal rules, the Department is proposing to transfer 2 IT FTE's from Health Care Financing to the Executive Director's Office. This represents a transfer of \$48,100 General Fund. This change is for FY 2008 and FY 2009.
- 5) The Department of Health owes the Department of Workforce Services (DWS) approximately \$100,000 General Fund for translation services provided by DWS, but funded in Health. Additionally, the Department should be receiving approximately \$100,000 more General Fund money from the (DWS) for 4 additional FTE's retained by the Department after their salary costs were already transferred to DWS. The net effect is \$0 between the two agencies, but additional funds are needed to pay personnel costs of the two retained employees in Health. This money will be transferred from the Medical Assistance Line Item to Health Care Financing.

The tables below show the changes by fund source and Line Items for both FY 2008 and FY 2009.

FY 2009 Base Changes Detail Tables

Financing	09 Base Bills	09 Ext Txfrs	09 LFA NSF Chgs	09 LFA Bills	09 Subtotal - LFA
General Fund	379,885,000	107,000		107,000	379,992,000
General Fund, One-time	--			--	--
Federal Funds	1,295,343,600	107,000		107,000	1,295,450,600
Dedicated Credits Revenue	109,183,900		(844,200)	--	109,183,900
Federal Mineral Lease	--			--	--
General Fund Restricted	--			--	--
GFR - Cat & Dog Spay & Neuter	50,000			--	50,000
GFR - Cigarette Tax Rest	3,131,700			--	3,131,700
GFR - Hosp Provider Assess	--			--	--
GFR - Kurt Oscarson Trans	100,000			--	100,000
GFR - Medicaid Hospital Provider	--			--	--
GFR - Medicaid Restricted	--			--	--
GFR - Nursing Facility	--			--	--
GFR - Nursing Care Facilities Account	15,716,200			--	15,716,200
GFR - State Lab Drug Testing Account	407,100			--	407,100
GFR - Tobacco Settlement	16,710,700			--	16,710,700
Organ Donation Contribution Fund	113,000			--	113,000
Transfers	--			--	--
Transfers - Environmental Quality	31,500			--	31,500
Transfers - H - Medical Assistance	--			--	--
Transfers - Health	--			--	--
Transfers - Human Services	65,595,600			--	65,595,600
Transfers - Intergovernmental	34,487,700			--	34,487,700
Transfers - Medicaid	2,243,400			--	2,243,400
Transfers - Other Agencies	9,207,000			--	9,207,000
Transfers - Public Safety	345,000			--	345,000
Transfers - State Office of Education	--			--	--
Transfers - Within Agency	33,046,200			--	33,046,200
Transfers - Workforce Services	1,263,200			--	1,263,200
Rural Health Care Facilities Fund	277,500			--	277,500
Beginning Nonlapsing	3,499,100			--	3,499,100
Closing Nonlapsing	(2,728,100)			--	(2,728,100)
Lapsing Balance	--			--	--
Total	\$1,967,909,300	\$214,000	(\$844,200)	\$214,000	\$1,968,123,300

Expenditures	09 Base Bills	09 Ext Txfrs	09 LFA NSF Chgs	09 LFA Bills	09 Subtotal - LFA
Personal Services	71,376,000	214,000		214,000	71,590,000
In-State Travel	726,200			--	726,200
Out of State Travel	662,500			--	662,500
Current Expense	77,038,800			--	77,038,800
DP Current Expense	13,229,800			--	13,229,800
DP Capital Outlay	31,000			--	31,000
Capital Outlay	9,864,900			--	9,864,900
Other Charges/Pass Thru	1,794,980,100		(844,200)	--	1,794,980,100
Total	\$1,967,909,300	\$214,000	(\$844,200)	\$214,000	\$1,968,123,300
Programs	09 Base Bills	09 Ext Txfrs	09 LFA NSF Chgs	09 LFA Bills	09 Subtotal - LFA
Executive Director's Operations	26,175,300	(242,700)		(242,700)	25,932,600
Veterans' Nursing Home	--			--	--
Health Systems Improvement	17,717,300	(23,000)		(23,000)	17,694,300
Workforce Financial Assistance	423,900			--	423,900
Epidemiology & Lab Services	20,296,600	42,800		42,800	20,339,400
Community & Family Health	104,623,700	309,400		309,400	104,933,100
Health Care Financing	94,847,300	227,500		227,500	95,074,800
Medical Assistance	1,634,964,500	(100,000)		(100,000)	1,634,864,500
Children's Health Insurance Program	66,679,100		(844,200)	--	66,679,100
Health Policy Commission	--			--	--
Local Health Departments	2,181,600			--	2,181,600
Total	\$1,967,909,300	\$214,000	(\$844,200)	\$214,000	\$1,968,123,300
FTE/Other	09 Base Bills	09 Ext Txfrs	09 LFA NSF Chgs	09 LFA Bills	09 Subtotal - LFA
Budgeted FTE	1,049			--	1,049
Vehicles	63			--	63

FY 2008 Supplemental Detail Table

Financing	08 Ext Txfr	CFY Sup Bill	Expenditures	08 Ext Txfr	CFY Sup Bill
General Fund		--	Personal Services	214,000	214,000
General Fund, One-time	107,000	107,000	In-State Travel		--
Federal Funds	107,000	107,000	Out of State Travel		--
Dedicated Credits Revenue		--	Current Expense		--
Federal Mineral Lease		--	DP Current Expense		--
General Fund Restricted		--	DP Capital Outlay		--
GFR - Cat & Dog Spay & Neuter		--	Capital Outlay		--
GFR - Cigarette Tax Rest		--	Other Charges/Pass Thru		--
GFR - Hosp Provider Assess		--	Total	\$214,000	\$214,000
GFR - Kurt Oscarson Trans		--			
GFR - Medicaid Hospital Provider		--	Programs	08 Ext Txfr	CFY Sup Bill
GFR - Medicaid Restricted		--	Executive Director's Operations	77,300	77,300
GFR - Nursing Facility		--	Veterans' Nursing Home		--
GFR - Nursing Care Facilities Account		--	Health Systems Improvement	(23,000)	(23,000)
GFR - State Lab Drug Testing Account		--	Workforce Financial Assistance		--
GFR - Tobacco Settlement		--	Epidemiology & Lab Services	42,800	42,800
Organ Donation Contribution Fund		--	Community & Family Health	(10,600)	(10,600)
Transfers		--	Health Care Financing	227,500	227,500
Transfers - Environmental Quality		--	Medical Assistance	(100,000)	(100,000)
Transfers - H - Medical Assistance		--	Children's Health Insurance Program		--
Transfers - Health		--	Health Policy Commission		--
Transfers - Human Services		--	Local Health Departments		--
Transfers - Intergovernmental		--	Total	\$214,000	\$214,000
Transfers - Medicaid		--			
Transfers - Other Agencies		--			
Transfers - Public Safety		--			
Transfers - State Office of Education		--			
Transfers - Within Agency		--			
Transfers - Workforce Services		--			
Rural Health Care Facilities Fund		--			
Beginning Nonlapsing		--			
Closing Nonlapsing		--			
Lapsing Balance		--			
Total	\$214,000	\$214,000			

LEGISLATIVE ACTION

- The Analyst recommends that the Health and Human Services Appropriation Subcommittee approve the technical changes to the budget as detailed above.